

UNITED STATES SENATOR • IOWA

CHUCK GRASSLEY

RANKING MEMBER • SENATE COMMITTEE ON FINANCE

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MEMORANDUM

To: Reporters and Editors
Fr: Jill Gerber, 202/224-6522
Re: GAO report on charities' response to Sept. 11
Da: Wednesday, Sept. 4, 2002

Sen. Chuck Grassley, ranking member of the Committee on Finance, last year asked the General Accounting Office (GAO) to examine charities' response to Sept. 11. The GAO gave Grassley an interim report. Grassley made the following comment on the report.

"Charities played a huge role in helping the survivors of this tragedy. Their work was valuable to survivors, both financially and emotionally. With more than 300 charities collecting funds for the survivors, it's no surprise that they varied greatly in the way they raised and distributed money. Although no one knows the total extent of fraud, the GAO reports that charities and state attorneys general are working to minimize opportunities for fraud. I hope these efforts continue.

"Charities can learn many lessons from the events of Sept. 11. I agree with GAO's recommendations to improve charitable aid in any future disasters. These include: (1) good information about and easy access to available assistance to help survivors in the recovery process; (2) improved assistance to survivors by public and private agencies better coordinating and sharing information with each other; and (3) more public education to clarify charities' role in disasters and help maintain the public's confidence in charities. By working together to pool information and resources, I believe charities can do an even better job at helping those in need.

"Congress' role in charitable oversight is to make sure charities are accountable for the big tax breaks they receive. Toward that end, I worked to include sunshine provisions in the charitable giving bill that's pending in Congress. Giving to a charity isn't a frivolous act. People think hard about how much they can afford and where their money will do the most good. Charities should treat them accordingly. The more transparency from charities to potential donors, the better. Transparency instills public confidence."

